

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01337A



Rincon Ranch Estates Water Co.
9420 E. Golf Links Rd., PMB 322
Tucson, AZ 85730

ANNUAL REPORT

RECEIVED

MAR 25 2008

FOR YEAR ENDING

AZ CORP COMM
Director Utilities

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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3-25-08

COMPANY INFORMATION

Company Name (Business Name) Rincon Ranch Estates Water Company, Inc.

Mailing Address 9420 E. Golf Links Rd PMB 322

(Street)

Tucson

(City)

AZ

(State)

85730

(Zip)

(520) 325-1544

Telephone No. (Include Area Code)

(520) 325-1121

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 9420 E Golf Links Rd PMB 322

(Street)

Tucson

(City)

AZ

(State)

85730

(Zip)

(520) 325-1544

Local Office Telephone No. (Include Area Code)

(520) 325-1121

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Dale Calvert President
(Name) (Title)

2970 N Swan Rd Ste 220

(Street)

Tucson

(City)

AZ

(State)

85730

(Zip)

(520) 325-1544

Telephone No. (Include Area Code)

(520) 325-1121

Fax No. (Include Area Code)

(520) 241-6352

Pager/Cell No. (Include Area Code)

Email

Address drcalvert@cpatucson.com

On Site Manager: Robert Calvert
(Name)

9420 Golf Links Rd PMB 322

(Street)

Tucson

(City)

AZ

(State)

85730

(Zip)

(520) 298-0173

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Dale Calvert
(Name)

2970 N. Swan Road, #220 Tucson AZ 85712
(Street) (City) (State) (Zip)

(520) 325-1544 (520) 325-1121 (520) 241-6352
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Hugh Holub
(Name)

PO Box 4521 Tubac AZ 85646
(Street) (City) (State) (Zip)

(520) 398-9571 (520) 377-8259 (520) 841-2278
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

DALE R. CALVERT, PLLC

CERTIFIED PUBLIC ACCOUNTANT

2970 N. SWAN ROAD, #220
TUCSON, AZ 85712

Voice (520) 325-1544
Fax (520) 325-1121
E-mail cpa@azstarnet.com

March 24, 2008

Board of Directors
Rincon Ranch Estates Water Co., Inc.
Tucson, Arizona

I have compiled the accompanying balance sheet of Rincon Ranch Estates Water Co., Inc. as of December 31, 2007 and 2006 and the related comparative statement of income and expenses and the supplementary information contained in the schedule of utility plant in service, schedule of calculation of depreciation expense, schedule of property taxes and schedule of income taxes for the year then ended included in the accompanying prescribed form, Water Utility Annual Report, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

My compilation is limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission which differ from a presentation in conformity with generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Rincon Ranch Estates Water Co., Inc.



Dale R. Calvert
Certified Public Accountant

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	313	N/A	313
303	Land and Land Rights	35,889	N/A	35,889
304	Structures and Improvements	12,497	6,029	6,468
307	Wells and Springs	6,946	6,946	0
311	Pumping Equipment	71,210	71,210	0
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	47,245	47,245	0
331	Transmission and Distribution Mains	378,529	269,014	109,515
333	Services	21,857	14,879	6,978
334	Meters and Meter Installations	16,902	16,902	0
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	4,031	2,639	1,392
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	3,789	3,789	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	2,890	2,470	420
348	Other Tangible Plant Computers & Software	2,200	1,660	540
	TOTALS	\$604,297	\$442,783	\$161,514

This amount goes on the Balance Sheet Acct. No. 108 

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	N/A	0
302	Franchises	313	0.00	0
303	Land and Land Rights	35,889	0.00	0
304	Structures and Improvements	12,497	3.33	416
307	Wells and Springs	6,946	3.33	0
311	Pumping Equipment	71,210	12.50	0
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	47,245	5.00	0
331	Transmission and Distribution Mains	378,529	2.00	7,571
333	Services	21,857	3.33	728
334	Meters and Meter Installations	16,902	8.33	0
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	4,031	6.67	269
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	3,789	5.00	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	2,890	10.00	289
348	Other Tangible Plant Computers & Software	2,200	20.00	440
	TOTALS	\$604,297	N/A	\$9,712

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

BALANCE SHEET

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$12,340	\$28,598
134	Working Funds	0	0
135	Temporary Cash Investments	222,464	235,845
141	Customer Accounts Receivable	15,327	25,326
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	4,470	4,347
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	9,016	13,599
	TOTAL CURRENT AND ACCRUED ASSETS	\$263,617	\$307,714
	FIXED ASSETS		
101	Utility Plant in Service	\$594,226	\$604,297
103	Property Held for Future Use	7,375	500
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	(433,070)	(442,783)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$168,531	\$162,014
	TOTAL ASSETS	\$432,148	\$469,728

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$2,156	\$5,962
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	0	0
236	Accrued Taxes	6,442	9,830
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	2,183	462
	TOTAL CURRENT LIABILITIES	\$10,781	\$16,254
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$0	\$0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	16,890	5,858
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	120,184	130,819
272	Less: Amortization of Contributions	(56,227)	(60,449)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$80,847	\$76,228
	TOTAL LIABILITIES	\$91,628	\$92,482
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$13,000	\$13,000
211	Paid in Capital in Excess of Par Value *	116,519	107,040
215	Retained Earnings	211,001	257,205
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$340,520	\$377,246
	TOTAL LIABILITIES AND CAPITAL	\$432,148	\$469,728

* 211 Included in this account is the Unrealized Gain/Loss on Securities
Available for Sale in the amounts of

\$13,193

\$3,714

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$180,748	\$190,624
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	2,901	6,291
	TOTAL REVENUES	\$183,649	\$196,915
	OPERATING EXPENSES		
601	Salaries and Wages	\$66,429	\$52,148
610	Purchased Water	35,753	48,647
615	Purchased Power	14,502	12,752
618	Chemicals	0	0
620	Repairs and Maintenance	8,902	2,600
621	Office Supplies and Expense	5,841	6,848
630	Outside Services	9,724	15,300
635	Water Testing	1,176	748
641	Rents	7,209	7,200
650	Transportation Expenses	703	0
657	Insurance – General Liability	2,678	2,065
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	3,466	2,053
403	Depreciation Expense *	9,875	5,490
408	Taxes Other Than Income	12,652	586
408.11	Property Taxes	11,144	10,476
409	Income Tax	3,013	6,799
	TOTAL OPERATING EXPENSES	\$193,067	\$173,714
	OPERATING INCOME/(LOSS)	(\$9,418)	\$23,202
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$15,575	\$22,949
421	Non-Utility Income	2,078	54
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	\$17,653	\$23,002
	NET INCOME/(LOSS)	\$8,235	\$46,204

* 403 Depreciation Expense Calculation

Depreciation Expense	15,465	9,712
Less Amortization of Contributions in Aid of Construction	<u>(5,590)</u>	<u>(4,222)</u>
Net Depreciation Entered	<u>9,875</u>	<u>5,490</u>

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$0.00	\$0.00	\$0.00	\$0.00
Amount Outstanding	\$0.00	\$0.00	\$0.00	\$0.00
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$0.00	\$0.00	\$0.00	\$0.00
Current Year Principle	\$0.00	\$0.00	\$0.00	\$0.00

Meter Deposit Balance at Test Year End \$0.00

Meter Deposits Refunded During the Test Year \$0.00

COMPANY NAME RINCON RANCH ESTATES WATER COMPANY INC

Name of System Rincon Ranch Estates ADEQ Public Water System Number (if applicable) 10-100

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
620952	15	90	400	8	421	1955+/-
620851	25	160	439	12	470	1964

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Tucson	80	18,779

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	1	0	0
10	2		
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	5,000	1
8,000	1		
3,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME RINCON RANCH ESTATES WATER COMPANY, INC

Name of System Rincon Ranch Estates **ADEQ Public Water System Number (if applicable)** 10-100

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	GV	16,210
3	PVC	3,010
4	PVC	6,900
5	N/A	N/A
6	AC	18,060
8	AC	490
10	N/A	N/A
12	N/A	N/A
6	PVC	15,201
8	PVC	1,820
6	IRON	1,060

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	236
3/4	
1	5
1 1/2	2
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

Warehouse & yard galvanized iron building, wood frame structure with cement floor, wood frame structure wood frame structure with wood floor

OTHER:

Tapping machine, pony pump aqua sur, metal detector, emergency light, metal spreader, gasoline powered pump, portable electric plant

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: RINCON RANCH ESTATES WATER COMPANY, INC.

Name of System Rincon Ranch Estates ADEQ Public Water System Number (if applicable) 10-100

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	230	2,083	1,500	1,132
FEBRUARY	237	2,756	1,663	1,482
MARCH	235	3,178	2,437	952
APRIL	236	3,224	2,379	990
MAY	238	4,943	3,408	1,545
JUNE	239	4,803	2,796	1,970
JULY	239	3,970	2,134	2,728
AUGUST	244	4,248	2,276	2,014
SEPTEMBER	245	3,597	2,170	1,736
OCTOBER	242	3,748	2,704	1,777
NOVEMBER	242	3,059	2,410	1,052
DECEMBER	245	2,946	1,255	1,401
TOTALS →		42,554	27,131	18,779

What is the level of arsenic for each well on your system? 0.0011 mg/l Test Date
(If more than one well, please list each separately.) Two closed wells-requires random test of one. 03/09/06

If system has fire hydrants, what is the fire flow requirement? ___ GPM for ___ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME **RINCON RANCH ESTATES WATER COMPANY, INC** **YEAR ENDING 12/31/2007**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ **10,808.77**

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

MAR 25 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE DALE CALVERT - PRESIDENT
COMPANY NAME RINCON RANCH ESTATES WATER COMPANY, INC

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Dale R. Calvert

SIGNATURE OF OWNER OR OFFICIAL

(520) 325-1544

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24

DAY OF

COUNTY NAME <i>Pima</i>	
MONTH <i>MARCH</i>	2008

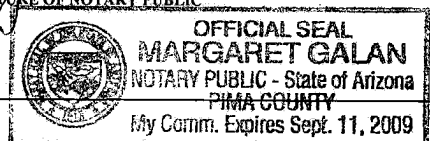
(SEAL)

MY COMMISSION EXPIRES

9/11/2009

Margaret Galan

SIGNATURE OF NOTARY PUBLIC



COMPANY NAME RINCON RANCH ESTATES WATER COMPANY, INC. **YEAR ENDING 12/31/2007**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$30,623</u>
Estimated or Actual Federal Tax Liability	<u>4,449</u>

State Taxable Income Reported	<u>\$33,724</u>
Estimated or Actual State Tax Liability	<u>2,350</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>Zero</u>
Amount of Gross-Up Tax Collected	<u>Zero</u>
Total Grossed-Up Contributions/Advances	<u>Zero</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Dale R. Calvert
SIGNATURE

3/24/08
DATE

Dale Calvert
PRINTED NAME

President
TITLE

RECEIVED

MAR 25 2008

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION COMMISSION
Director Utilities

VERIFICATIONSTATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE DALE CALVERT
COMPANY NAME RINCON RANCH ESTATES WATER COMPANY, INC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 202,770.49

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 11,924.00
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Dale P. Calvert
SIGNATURE OF OWNER OR OFFICIAL
(520) 325-1544

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24

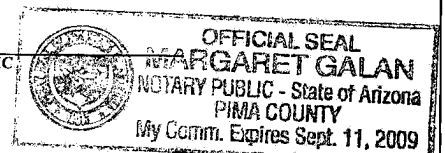
DAY OF

(SEAL)

COUNTY NAME <u>PIMA</u>	
MONTH <u>MARCH</u>	<u>2008</u>

MY COMMISSION EXPIRES 9/11/2009

Margaret Galan
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAR 25 2008

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PIMA		
NAME (OWNER OR OFFICIAL)	DALE CALVERT	TITLE PRESIDENT
COMPANY NAME RINCON RANCH ESTATES WATER COMPANY, INC.		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 194,451.68

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 11,449.36
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Dale R. Calvert

SIGNATURE OF OWNER OR OFFICIAL

(520) 325-1544

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24

DAY OF



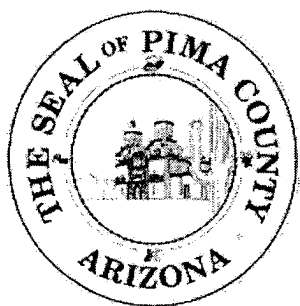
MY COMMISSION EXPIRES

9/11/2009

NOTARY PUBLIC NAME MARGARET GALAN	
COUNTY NAME PIMA	
MONTH MARCH	YEAR 2008

X *Margaret Galan*

SIGNATURE OF NOTARY PUBLIC



Beth Ford

Pima County Treasurer

Parcel: 922401000 6 Total Taxes: \$5,768.88 Tax Year: 2006 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	09/15/2006	02/27/2007
Method:	CK	CK
Tax Paid:	\$2,884.44	\$2,884.44
Paid By:	01	01
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 0100

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

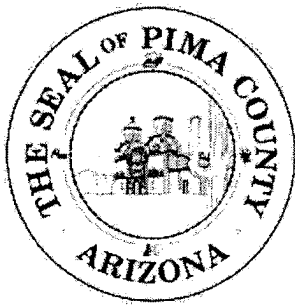
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$0.00

Legal Description:

TOTAL VALUE OF OPERATING PROPERTY-
TAXPAYER GROUP NO 224

HISTORY TAX ROLL CHANGE

2005 \$5,843.15
2004 \$5,441.59
2003 \$5,160.88
2002 \$4,474.54
2001 \$4,283.74



Beth Ford

Pima County Treasurer

Parcel: 922413000 3 Total Taxes: \$5,343.01 Tax Year: 2006 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	09/15/2006	02/27/2007
Method:	CK	CK
Tax Paid:	\$2,671.51	\$2,671.50
Paid By:	01	01
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 1300

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

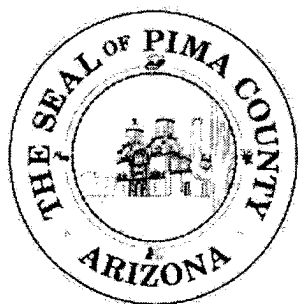
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$0.00

Legal Description:

TOTAL VALUE OF OPERATING PROPERTY -
TAXPAYER GROUP NO 224

HISTORY TAX ROLL CHANGE

2005 \$5,399.84
2004 \$5,051.23
2003 \$4,909.12
2002 \$4,868.04
2001 \$0.00



Beth Ford

Pima County Treasurer

Parcel: 922401000 0 Total Taxes: \$5,205.48 Tax Year: 2007 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$2,602.74
Date Paid:	10/25/2007	
Method:	CK	
Tax Paid:	\$2,602.74	\$0.00
Paid By:	01	
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 0100

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

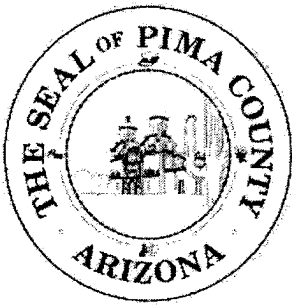
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$2,602.74	\$2,602.74
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$2,602.74	\$2,602.74
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$2,602.74

Legal Description:

TOTAL VALUE OF OPERATING PROPERTY-
TAXPAYER GROUP NO 224

HISTORY TAX ROLL CHANGE

2006 \$5,768.88
2005 \$5,843.15
2004 \$5,441.59
2003 \$5,160.88
2002 \$4,474.54



Beth Ford

Pima County Treasurer

Parcel: 922413000 3 Total Taxes: \$5,240.36 Tax Year: 2007 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$2,620.18
Date Paid:	10/25/2007	
Method:	CK	
Tax Paid:	\$2,620.18	\$0.00
Paid By:	01	
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 1300

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

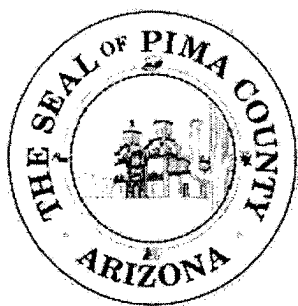
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$2,620.18	\$2,620.18
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$2,620.18	\$2,620.18
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$2,620.18

Legal Description:

TOTAL VALUE OF OPERATING PROPERTY -
TAXPAYER GROUP NO 224

HISTORY TAX ROLL CHANGE

2006 \$5,343.01
2005 \$5,399.84
2004 \$5,051.23
2003 \$4,909.12
2002 \$4,868.04



Beth Ford

Pima County Treasurer

Parcel: 13611021G 0 Total Taxes: \$16.12 Tax Year: 2007 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	10/25/2007	10/25/2007
Method:	CK	CK
Tax Paid:	\$16.12	\$0.00
Paid By:	01	01
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 0100

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

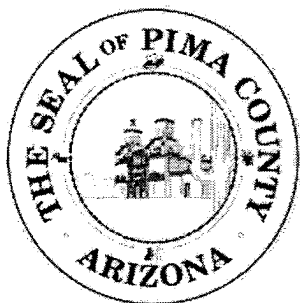
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$0.00

Legal Description:

RINCON RANCH ESTATES NO 1 S100'
W475.61'
LOT 11 & N50' W391.18' LOT 12

HISTORY TAX ROLL CHANGE

2006 \$17.34
2005 \$19.00
2004 \$19.68
2003 \$13.08
2002 \$13.56



Beth Ford

Pima County Treasurer

Parcel: 20562132A 0 Total Taxes: \$13.79 Tax Year: 2007 As of Date: 12/31/2007

CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	10/25/2007	10/25/2007
Method:	CK	CK
Tax Paid:	\$13.79	\$0.00
Paid By:	01	01
Trans Type:		
Interest Paid:	\$0.00	\$0.00

PARCEL INFORMATION

Area Code: 1300

Taxpayer Name/Address:

RINCON RANCH EST WATER CO INC
ATTN: FRANK CALVERT/PRESIDENT
3750 S OLD SPANISH TRAIL
TUCSON AZ 85730

Property Address:

TAX DUE SUMMARY

	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
TOTAL AMOUNT DUE			\$0.00

Legal Description:

WELLSITE IN N2 NE4 SW4 .48 AC SEC 30-14-16
TOTAL VALUE OF OPERATING PROPERTY -
TAXPAYER
GROUP NO 224

HISTORY TAX ROLL CHANGE

2006 \$15.00
2005 \$16.40
2004 \$16.35
2003 \$18.46
2002 \$17.94